

Course Outline

Marketing, Sales, and Service

REVISED: July/2021

Job Title

Real Estate Agent

Career Pathway:

Professional Sales

Industry Sector:

Marketing, Sales, and Service

O*NET-SOC CODE:

41-9022.00

CBEDS Title:

Professional Sales I

CBEDS No.:

4130

71-40-70

Real Estate Finance

Credits: 5 hours

Hours: 60

Course Description:

This competency-based course is the third in a sequence of four designed for real estate. It meets statutory requirements for broker's/salesperson's license. It includes instruction in the financing of real estate, the different types of loans, and requirements to qualify both the property and the borrower for the loan. Topics include mortgage instruments, construction loans, financial math, and different types of lenders; secondary market financing, including conventional and Federal Home Loan Mortgage Corporation (FHLMC) and Federal National Mortgage Corporation (FNMC) purchases; Veteran's Administration (VA) and Federal Housing Authority (FHA) underwriting and guarantees; and ethics of real estate. The competencies in this course are aligned with the California High School Academic Content Standards and the California Career Technical Education Model Curriculum Standards.

Prerequisites:

Enrollment requires concurrent high school students to be 18 years of age upon completion of the course.

NOTE: For Perkins purposes this course has been designated as a **capstone** course.

Department of Real Estate (DRE) Approval No. **4409-19 effective 3/12/2020**. DRE Statutory/Pre-License Course Completion Certificate provides maximum of 45 credit hours.

This course **cannot** be repeated once a student receives a Certificate of Completion.



COURSE OUTLINE COMPETENCY-BASED COMPONENTS

A course outline reflects the essential intent and content of the course described. Acceptable course outlines have six components. (Education Code Section 52506). Course outlines for all apportionment classes, including those in jails, state hospitals, and convalescent hospitals, contain the six required elements:

(EC 52504; 5CCR 10508 [b]; Adult Education Handbook for California [1977], Section 100)

COURSE OUTLINE COMPONENTS

LOCATION

GOALS AND PURPOSES

Cover

The educational goals or purposes of every course are clearly stated and the class periods are devoted to instruction. The course should be broad enough in scope and should have sufficient educational worth to justify the expenditure of public funds.

The goals and purpose of a course are stated in the COURSE DESCRIPTION. Course descriptions state the major emphasis and content of a course, and are written to be understandable by a prospective student.

PERFORMANCE OBJECTIVES OR COMPETENCIES

pp. 7-22

Objectives should be delineated and described in terms of measurable results for the student and include the possible ways in which the objectives contribute to the student's acquisition of skills and competencies.

Performance Objectives are sequentially listed in the COMPETENCY-BASED COMPONENTS section of the course outline. Competency Areas are units of instruction based on related competencies. Competency Statements are competency area goals that together define the framework and purpose of a course. Competencies fall on a continuum between goals and performance objectives and denote the outcome of instruction.

Competency-based instruction tells a student before instruction what skills or knowledge they will demonstrate after instruction. Competency-based education provides instruction, which enables each student to attain individual goals as measured against pre-stated standards.

Competency-based instruction provides immediate and continual repetition and In competency-based education the curriculum, instruction, and assessment share common characteristics based on clearly stated competencies. Curriculum, instruction and assessment in competency-based education are: explicit, known, agreed upon, integrated, performance oriented, and adaptive.

COURSE OUTLINE COMPETENCY-BASED COMPONENTS
(continued)

COURSE OUTLINE COMPONENTS	LOCATION
INSTRUCTIONAL STRATEGIES	p. 24
<p>Instructional techniques or methods could include laboratory techniques, lecture method, small-group discussion, grouping plans, and other strategies used in the classroom.</p> <p>Instructional strategies for this course are listed in the TEACHING STRATEGIES AND EVALUATION section of the course outline. Instructional strategies and activities for a course should be selected so that the overall teaching approach takes into account the instructional standards of a particular program, i.e., English as a Second Language, Programs for Adults with Disabilities.</p>	
UNITS OF STUDY, WITH APPROXIMATE HOURS ALLOTTED FOR EACH UNIT	Cover
<p>The approximate time devoted to each instructional unit within the course, as well as the total hours for the course, is indicated. The time in class is consistent with the needs of the student, and the length of the class should be that it ensures the student will learn at an optimum level.</p> <p>Units of study, with approximate hours allotted for each unit are listed in the COMPETENCY AREA STATEMENT(S) of the course outline. The total hours of the course, including work-based learning hours (community classroom and cooperative vocational education) is listed on the cover of every CBE course outline. Each Competency Area listed within a CBE outline is assigned hours of instruction per unit.</p>	
EVALUATION PROCEDURES	pp. 24-25
<p>The evaluation describes measurable evaluation criteria clearly within the reach of the student. The evaluation indicates anticipated improvement in performances as well as anticipated skills and competencies to be achieved.</p> <p>Evaluation procedures are detailed in the TEACHING STRATEGIES AND EVALUATION section of the course outline. Instructors monitor students' progress on a continuing basis, assessing students on attainment of objectives identified in the course outline through a variety of formal and informal tests (applied performance procedures, observations, and simulations), paper and pencil exams, and standardized tests.</p>	
REPETITION POLICY THAT PREVENTS PERPETUATION OF STUDENT ENROLLMENT	Cover
<p>After a student has completed all the objectives of the course, he or she should not be allowed to reenroll in the course. There is, therefore, a need for a statement about the conditions for possible repetition of a course to prevent perpetuation of students in a particular program for an indefinite period of time.</p>	

ACKNOWLEDGMENTS

Thanks to EDWIN TORRES and LUZ GRANADOS for developing and editing this course outline. Acknowledgment is also given to ERICA ROSARIO for designing the original artwork for the course covers. Gratitude also goes to CELIA DOMINGUEZ for her leadership in planning and facilitating this program.

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CALIFORNIA CAREER TECHNICAL EDUCATION MODEL CURRICULUM STANDARDS

Marketing, Sales, and Services Industry Sector Knowledge and Performance Anchor Standards

1.0 Academics

Analyze and apply appropriate academic standards required for successful industry sector pathway completion leading to postsecondary education and employment. Refer to the Marketing, Sales, and Services academic alignment matrix for identification of standards

2.0 Communications

Acquire and accurately use Marketing, Sales, and Services sector terminology and protocols at the career and college readiness level for communicating effectively in oral, written, and multimedia formats.

3.0 Career Planning and Management

Integrate multiple sources of career information from diverse formats to make informed career decisions, solve problems, and manage personal career plans.

4.0 Technology

Use existing and emerging technology to investigate, research, and produce products and services, including new information, as required in the Marketing, Sales, and Services sector workplace environment.

5.0 Problem Solving and Critical Thinking

Conduct short, as well as more sustained, research to create alternative solutions to answer a question or solve a problem unique to the Marketing, Sales, and Services sector using critical and creative thinking, logical reasoning, analysis, inquiry, and problem-solving techniques.

6.0 Health and Safety

Demonstrate health and safety procedures, regulations, and personal health practices and determine the meaning of symbols, key terms, and domain-specific words and phrases as related to the Marketing, Sales, and Services sector workplace environment.

7.0 Responsibility and Flexibility

Initiate and participate in a range of collaborations demonstrating behaviors that reflect personal and professional responsibility, flexibility, and respect in the Marketing, Sales, and Services sector workplace environment and community settings.

8.0 Ethics and Legal Responsibilities

Practice professional, ethical, and legal behavior, responding thoughtfully to diverse perspectives and resolving contradictions when possible, consistent with applicable laws, regulations, and organizational norms.

9.0 Leadership and Teamwork

Work with peers to promote divergent and creative perspectives, effective leadership, group dynamics, team and individual decision making, benefits of workforce diversity, and conflict resolution as practiced in the DECA career technical student organization

10.0 Technical Knowledge and Skills

Apply essential technical knowledge and skills common to all pathways in the Marketing, Sales, and Services sector, following procedures when carrying out experiments or performing technical tasks.

11.0 Demonstration and Application

Demonstrate and apply the knowledge and skills contained in the Marketing, Sales, and Services anchor standards, pathway standards, and performance indicators in classroom, laboratory and workplace settings, and through the DECA career technical student organization.

Marketing, Sales, and Services Pathway Standards

B. Professional Sales Pathway

Develop knowledge and skills in the theory and practice of sales designed to provide a professional foundation to those involved in personal selling careers, including the fundamentals of personal selling with an emphasis on customer behavior, persuasive presentation of ideas, products and services, and developing sales goals.

Sample occupations associated with this pathway:

- ◆ Customer Service Representative
- ◆ Retail Salesperson
- ◆ Sales Manager
- ◆ Real Estate Broker
- ◆ Fashion buyer

- B1.0 Understand the interrelationships between economic and marketing concepts and selling.
- B2.0 Analyze and evaluate legal, moral, and ethical issues affecting selling and sales management.
- B3.0 Analyze customer/client behavior in the selling process.
- B4.0 Understand the nature and scope of the functions associated with personal and business sales strategies, product knowledge, support activities, and management of selling techniques.
- B5.0 Examine different types of sales pathways.
- B6.0 Analyze the support activities of sales staff and management.
- B7.0 Complete a strategic plan that includes establishing individual and company sales goals to guide the activities of the sales staff.
- B8.0 Access and use marketing information to enhance sales opportunities and activities.

CBE
Competency-Based Education

COMPETENCY-BASED COMPONENTS
for the Real Estate Finance Course

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
<p>A. FINANCIAL TECHNOLOGY, THE SAFE ACT, AND THE FED</p> <p>Explain the importance of the history of finance to real estate.</p> <p>(1 hour)</p>	<ol style="list-style-type: none"> 1. Discuss the purpose of the SAFE Mortgage Licensing Act. 2. Analyze and evaluate control of monetary policy by the Federal Reserve. 3. Describe the roles of the Federal Reserve Bank and describe its functions. 4. Discuss the impact of financial technology lending – The Future of Money. 5. Pass a test covering safe office procedures with a score of 100%. 	<p>Career Ready Practice: 2, 4, 5, 7, 11</p> <p>CTE Anchor: Communications: 2.1, 2.2, 2.3, 2.4, 2.5 Technology: 4.3, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Health and Safety: 6.2, 6.5, 6.6, 6.7 Responsibility and Flexibility: 7.1, 7.6 Ethics and Legal Responsibilities: 8.4, 8.5 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B1.2, B2.4, B3.3, B4.1, B6.1, B7.1</p>
<p>B. EVALUATION – FINANCIAL TECHNOLOGY, THE SAFE ACT, AND THE FED</p>	<ol style="list-style-type: none"> 1. Pass a test. 	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p>

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(0.5 hour)		CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1
<p>C. REAL ESTATE CYCLE AND THE SECONDARY MARKET</p> <p>Define the real estate cycle and explain the effect of the national and international markets on the cycle.</p> <p>(2.5 hours)</p>	<ol style="list-style-type: none"> 1. Describe the real estate cycle including the business cycle and supply and demand curves. 2. Distinguish forces that influence the market including mortgage funds, population, social attitudes and political activity. 3. Describe the role of the secondary mortgage market. 4. Analyze the agencies of the secondary mortgage market. 	<p>Career Ready Practice: 2, 5, 7, 11</p> <p>CTE Anchor: Communications: 2.1, 2.2, 2.3 Technology: 4.3, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.1, 7.6 Ethics and Legal Responsibilities: 8.4, 8.5 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B2.4, B3.3, B4.1, B8.1, B8.3, B8.4, B8.5</p>
<p>D. EVALUATION – REAL ESTATE CYCLE AND THE SECONDARY MARKET</p>	<ol style="list-style-type: none"> 1. Pass a test. 	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p>

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(0.5 hour)		CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1
E. LOAN FUND SOURCES FOR THE PRIMARY MARKET Describe the various types of lenders and explain the function of each.	<ol style="list-style-type: none"> 1. Recognize traditional direct lenders in the mortgage market. 2. List some indirect lenders involved with funding mortgages 3. Describe the role of the private investor including Real Estate Investment Trusts (REIT) 4. Discuss Mortgage Loan Brokering and Subprime Lending. 	Career Ready Practice: 2, 5, 7, 11, 12 CTE Anchor: Communications: 2.1, 2.2, 2.5 Technology: 4.1, 4.3, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.1, 7.2 Ethics and Legal Responsibilities: 8.4, 8.5 Technical Knowledge and Skills: 10.1 CTE Pathway: B3.2, B3.3, B3.5, B4.1, B6.1
F. EVALUATION – LOAN FUND SOURCES FOR THE PRIMARY MARKET	<ol style="list-style-type: none"> 1. Pass a test. 	Career Ready Practice: 5 CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1 CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(0.5 hour)		
<p>G. THE SECONDARY MORTGAGE MARKET AND FEDERAL CREDIT AGENCIES</p> <p>Describe the government monetary policies and programs that affect real estate.</p> <p>(2.5 hours)</p>	<ol style="list-style-type: none"> 1. Define the secondary mortgage market. 2. Summarize the secondary market agencies – Fannie Mae, Ginnie Mae, and Freddie Mac as they relate to being government regulated and backed, but are also private corporations. 3. Illustrate how federal credit agencies work within the current mortgage system. 	<p>Career Ready Practice: 2, 5, 7, 11, 12</p> <p>CTE Anchor: Communications: 2.1, 2.2, 2.5 Technology: 4.1, 4.3, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.1, 7.2 Ethics and Legal Responsibilities: 8.4, 8.5 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B3.2, B3.3, B3.5, B4.1, B6.1</p>
<p>H. EVALUATION – THE SECONDARY MORTGAGE MARKET AND FEDERAL CREDIT AGENCIES</p> <p>(0.5 hour)</p>	<ol style="list-style-type: none"> 1. Pass a test. 	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1</p>
		Career Ready

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
<p>I. ETHICS, FRAUD, CONSUMER PROTECTION, AND FAIR LENDING</p> <p>Define the various instruments used to finance real estate.</p> <p>(2.5 hours)</p>	<ol style="list-style-type: none"> 1. Discuss the National Association of Realtor’s Code of Ethics and Standards of Practice. 2. List examples of frauds as it relates to real estate. 3. Discuss the Dodd-Frank Wall Street Reform and Consumer Protection Act. 4. Explain the ramifications of fair housing laws. 	<p>Practice: 2, 5, 7, 11, 12</p> <p>CTE Anchor: Communications: 2.1, 2.2, 2.3, 2.5 Technology: 4.3, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.2, 7.6 Ethics and Legal Responsibilities: 8.4, 8.5 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B2.1, B2.2, B3.1, B3.2, B3.3, B3.5, B4.2, B4.5, B5.1, B5.2, B5.3, B8.1</p>
<p>J. EVALUATION – ETHICS, FRAUD, CONSUMER PROTECTION, AND FAIR LENDING</p> <p>(0.5 hour)</p>	<ol style="list-style-type: none"> 1. Pass a test. 	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1</p>
<p>K. FEDERAL REGULATION (TILA/RESPA/TRID)</p>	<ol style="list-style-type: none"> 1. Identify how federal regulation legislation protects the consumer from predatory loan practices. 	<p>Career Ready Practice:</p>

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
<p>Understand real estate finance math tables, closing costs, and settlement statements.</p> <p>(2.5 hours)</p>	<p>2. Describe federal regulations governing mortgage loan transaction disclosures including TILA, RESPA and TRID.</p>	<p>2, 7, 11, 12</p> <p>CTE Anchor: Communications: 2.1, 2.3, 2.5 Technology: 4.2, 4.3 Problem Solving and Critical Thinking: 5.1, 5.2, 5.4 Responsibility and Flexibility: 7.2, 7.6 Ethics and Legal Responsibilities: 8.4, 8.5 Technical Knowledge and Skills: 10.1, 10.2</p> <p>CTE Pathway: B3.3, B3.5, B3.6, B4.2, B4.6</p>
<p>L. EVALUATION – FEDERAL REGULATION (TILA/RESPA/TRID)</p> <p>(0.5 hour)</p>	<p>1. Pass a test.</p>	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1</p>
<p>M. FINANCE INSTRUMENTS</p> <p>Describe criteria used in buyer qualification for a loan.</p>	<ol style="list-style-type: none"> 1. Analyze promissory notes and how they are negotiable instruments. 2. List requirements for a valid trust deed. 3. Compare advantages and disadvantages of a trust deed. 4. Define mortgages and differences from a trust deed as well as advantages and disadvantages. 5. Identify typical clauses used in security instruments. 	<p>Career Ready Practice: 2, 5, 7, 10, 11</p> <p>CTE Anchor: Communications: 2.1, 2.2, 2.3 Technology:</p>

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(2.5 hours)		4.3, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.1, 7.6 Ethics and Legal Responsibilities: 8.4, 8.5 CTE Pathway: B2.1, B2.2, B3.1, B3.3, B3.5, B3.6, B4.2, B4.6
N. EVALUATION – FINANCE INSTRUMENTS (0.5 hour)	1. Pass a test.	Career Ready Practice: 5 CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1 CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1
O. OVERVIEW OF THE LOAN PROCESS Describe factors relating to conventional financing.	1. Explain the loan process. 2. Discuss loan application sections. 3. Reviewing items that need to be on the loan application. 4. Explain the escrow procedures.	Career Ready Practice: 2, 5, 11 CTE Anchor: Communications: 2.1, 2.2, 2.3 Technology: 4.3, 4.4, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.1, 7.6

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(5 hours)		Ethics and Legal Responsibilities: 8.1, 8.4, 85 Technical Knowledge and Skills: 10.1 CTE Pathway: B2.1, B2.2, B3.1, B3.2, B3.3, B3.5, B3.6, B4.1, B4.2, B4.5, B8.1, B8.5
P. EVALUATION – OVERVIEW OF THE LOAN PROCESS (0.5 hour)	1. Pass a test.	Career Ready Practice: 5 CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1 CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1
Q. CONVENTIONAL FINANCING Describe factors that relate to creative financing of real estate.	1. Identify the attributes of conventional financing including types of loans, fees, mortgage insurance, and assumption.	Career Ready Practice: 2, 7, 11 CTE Anchor: Communications: 2.1, 2.2, 2.3 Technology: 4.3, 4.4, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.1, 7.6 Ethics and Legal Responsibilities: 8.1, 8.4, 85

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(5.5 hours)		<p>Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B2.1, B2.2, B3.1, B3.2, B3.3, B3.5, B3.6, B4.1, B4.2, B4.5, B8.1, B8.5</p>
<p>R. EVALUATION – CONVENTIONAL FINANCING</p> <p>(0.5 hour)</p>	<p>1. Pass a test.</p>	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1</p>
<p>S. ALTERNATIVE FINANCING</p> <p>Describe factors relating to FHA financing of real estate.</p>	<ol style="list-style-type: none"> 1. Explain how discount points work. 2. Discuss advantages and differences between temporary and permanent buy-down plans. 3. Identify limits on buy-downs by FNMA and FHLMC. 4. Identify Adjustable Rate Mortgages and how they work. 5. Analyze how a growth equity mortgage can build equity faster than a fixed payment loan. 	<p>Career Ready Practice: 2, 5, 7, 10, 11</p> <p>CTE Anchor: Communications: 2.1, 2.2, 2.3 Technology: 4.1, 4.3, 4.4, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.1, 7.6 Ethics and Legal Responsibilities: 8.1, 8.4, 85</p>

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(5.5 hours)		Technical Knowledge and Skills: 10.1 CTE Pathway: B2.1, B2.2, B2.3, B3.1, B3.2, B3.3, B3.5, B3.6, B4.1, B4.2, B4.5, B8.1
T. EVALUATION – ALTERNATIVE FINANCING (0.5 hour)	1. Pass a test.	Career Ready Practice: 5 CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1 CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1
U. GOVERNMENT PROGRAMS: FHA AND VA LOANS Describe factors relating to VA financing of real estate.	1. Describe the function of FHA loans. 2. Identify the loan programs available through FHA. 3. Identify VA loan programs and eligibility of veterans.	Career Ready Practice: 2, 7, 11 CTE Anchor: Communications: 2.1, 2.2, 2.3 Technology: 4.1, 4.3, 4.4, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.1, 7.6 Ethics and Legal Responsibilities: 8.1, 8.4, 85 Technical Knowledge and Skills: 10.1

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(4.5 hours)		<p>CTE Pathway: B2.1, B2.2, B3.3, B3.5, B3.6, B4.2, B4.5, B8.1</p>
<p>V. EVALUATION – GOVERNMENT PROGRAMS: FHA AND VA LOANS</p> <p>(0.5 hour)</p>	<p>1. Pass a test.</p>	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1</p>
<p>W. SELLER FINANCING</p> <p>Describe factors relating to seller financing of real estate.</p>	<ol style="list-style-type: none"> 1. Identify how seller financing can be used to purchase money loans. 2. Identify how land contracts work. 3. Explain other forms of creative financing including, lease options, lease purchases, equity exchanges, and participation loans. 4. Review broker responsibility in creative financing. 	<p>Career Ready Practice: 2, 5, 7, 10, 11</p> <p>CTE Anchor: Communications: 2.1, 2.2, 2.3 Technology: 4.1, 4.3, 4.4, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4 Responsibility and Flexibility: 7.1, 7.6 Ethics and Legal Responsibilities: 8.1, 8.4, 85 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B2.1, B2.2, B3.1, B3.2, B3.3, B3.5,</p>

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(5.5 hours)		B4.1, B4.2, B4.5, B8.1
<p>X. EVALUATION – SELLER FINANCING</p> <p>(0.5 hour)</p>	<p>1. Pass a test.</p>	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1</p>
<p>Y. QUALIFYING THE BORROWER</p> <p>Describe factors relating to appraisal of real estate.</p> <p>(5.5 hours)</p>	<p>1. Analyze the process of qualifying the borrower. 2. Define FHLMC/FNMA underwriting standards for qualification. 3. Compare underwriting for FHA and VA loans with those for conventional loans.</p>	<p>Career Ready Practice: 2, 5, 11</p> <p>CTE Anchor: Communications: 2.1, 2.2, 2.3 Technology: 4.1, 4.3, 4.4, 4.6 Problem Solving and Critical Thinking: 5.1, 5.2, 5.3, 5.4</p> <p>Responsibility and Flexibility: 7.1, 7.6 Ethics and Legal Responsibilities: 8.1, 8.4, 85 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B2.1, B2.2, B3.1, B3.2, B3.5, B3.6, B4.2, B4.5</p>

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
<p>Z. EVALUATION – QUALIFYING THE BORROWER</p> <p>(0.5 hour)</p>	<p>1. Pass a test.</p>	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1</p>
<p>AA. QUALIFYING THE PROPERTY</p> <p>State various laws that apply to discrimination in the purchase of real estate.</p> <p>(1 hour)</p>	<p>1. Define what an appraisal does and the lender’s perspective on value.</p> <p>2. Identify the three approaches to appraisal, including market approach, cost approach, and income approach, and analyze which approach best suits the need.</p> <p>3. Identify the appraisal process and review how to request an appraisal review.</p> <p>4. Identify key considerations to a residential appraiser. Analyze unique problems when financing rural property and nonconforming properties.</p>	<p>Career Ready Practice: 2, 5, 7, 8, 12</p> <p>CTE Anchor: Communications: 2.1, 2.2, 2.3 Problem Solving and Critical Thinking: 5.1, 5.4 Responsibility and Flexibility: 7.2</p> <p>Ethics and Legal Responsibilities: 8.1, 8.4, 8.5, 8.6</p> <p>CTE Pathway: B2.2, B2.4, B3.3, B3.5, B3.6</p>
<p>BB. EVALUATION – QUALIFYING THE PROPERTY</p>	<p>1. Pass a test.</p>	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4</p>

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
(0.5 hour)		Technical Knowledge and Skills: 10.1 CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1
CC. STATE LICENSING REQUIREMENTS Apply accepted standards of ethics in all transactions.	<ol style="list-style-type: none"> 1. Define the responsibilities of the Real Estate Commissioner. 2. Explain the California Recovery Account. 3. Define a Real Estate Broker. 4. Explain NMLS State Mortgage Loan Brokering Licensing requirements – by State. 	Career Ready Practice: 2, 5, 7, 8, 9, 12 CTE Anchor: Communications: 2.1, 2.2, 2.3 Problem Solving and Critical Thinking: 5.1, 5.4 Responsibility and Flexibility: 7.2, 7.6 Ethics and Legal Responsibilities: 8.1, 8.4, 8.5, 8.6 CTE Pathway: B2.2, B2.4, B3.3, B3.5, B3.6
(0.5 hour)	<ol style="list-style-type: none"> 1. Pass a test. 	Career Ready Practice: 5 CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1 CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1
EE. EMPLOYABILITY SKILLS	<ol style="list-style-type: none"> 1. Describe the steps in a job search. 	Career Ready Practice:

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
<p>Demonstrate competency in job search and acquisition skills.</p> <p>(1 hour)</p>	<ol style="list-style-type: none"> 2. Write a résumé and cover letter; describe the value of résumés and personal networking in obtaining employment. 3. Complete a job application form legibly. 4. Demonstrate work habits: punctuality and regular attendance. 5. Describe job interview preparation: dress, references, résumé, transcripts, work permit, interview, and follow-up. 6. Participate in a mock interview as an applicant and describe employee's point of view. 7. Participate in a mock interview as an employer and describe employer's point of view. 8. Describe civil, age, and equal rights in employment and what constitutes discriminatory hiring practices. 9. Describe employer's rights: attendance, punctuality, attitude, grooming, honesty, industrial safety, substance abuse. 10. Describe statutory, compensatory and employer-sponsored benefits. 11. Define gross/net pay; federal, state, FICA, SDI taxes and the W-4 form. 	<p>2, 3, 5, 7, 8, 9, 10, 11, 12</p> <p>CTE Anchor:</p> <p>Communications: 2.4, 2.5</p> <p>Career Planning and Management: 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9</p> <p>Health and Safety: 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7</p> <p>Responsibility and Flexibility: 7.1, 7.2, 7.3, 7.4, 7.6, 7.7</p> <p>Ethics and Legal Responsibilities: 8.2, 8.3, 8.4, 8.5, 8.6, 8.8</p> <p>Leadership and Teamwork: 9.4</p> <p>Technical Knowledge and Skills: 10.2, 10.15</p> <p>Demonstration and Application: 11.2, 11.5</p> <p>CTE Pathway: B2.4, B3.1, B3.2, B3.5, B3.6, B3.7, B4.1, B4.3, B4.5, B6.2, B7.1</p>

COMPETENCY AREAS AND STATEMENTS	MINIMAL COMPETENCIES	STANDARDS
<p>FF. EVALUATION</p> <p>Pass final evaluation.</p> <p>(2 hours)</p>	<p>1. Demonstrate knowledge of real estate finance by passing a final examination with 70% accuracy, covering the complete course under conditions as prescribed by the California Department of Real Estate.</p>	<p>Career Ready Practice: 5</p> <p>CTE Anchor: Problem Solving and Critical Thinking: 5.2, 5.3, 5.4 Technical Knowledge and Skills: 10.1</p> <p>CTE Pathway: B3.2, B3.3, B3.5, B3.6, B4.1, B6.1</p>

SUGGESTED INSTRUCTIONAL MATERIALS and OTHER RESOURCES

TEXTBOOKS

Huber, Walt and Zozula, Walter, Real Estate Finance and Loan Brokering, “Mobile Fintech”, 8th Edition. Educational Textbook Company, Inc., 2017

Rockwell, David L. and Megan Dorsey. Financing Residential Real Estate, 13th Edition. Rockwell Publishing Company, 2005.

RESOURCES

Employer Advisory Board members

California Department of Real Estate (DRE), www.bre.ca.gov

Bureau of Labor Statistics, U.S. Department of Labor. Occupational Outlook Handbook, <https://www.bls.gov/ooh/>

CDE Model Curriculum Standards for Marketing, Sales, and Services
<http://www.cde.ca.gov/ci/ct/sf/documents/mktsaleservices.pdf>

COMPETENCY CHECKLIST

TEACHING STRATEGIES and EVALUATION

METHODS AND PROCEDURES

- A. Lectures and discussions
- B. Demonstrations and participation
- C. Multimedia Presentations
- D. Individualized Instruction
- E. Peer teaching
- F. Role-playing
- G. Guest Lecturers
- H. Field trips and field study experiences
- I. Projects

EVALUATION

SECTION A – Financial Technology, the Safe Act, and the Fed– Pass a safety test with a score of 100%.

SECTION B – Evaluation– Financial Technology, the Safe Act and the Fed – Pass a test.

SECTION D– Evaluation—Real Estate Cycle and the Secondary Market – Pass a test.

SECTION E – Instruments of Finance– Pass all assignments and exams on instruments of finance with a minimum score of 80% or higher.

SECTION F – Evaluation—Loan Fund Sources for the Primary Market – Pass a test.

SECTION H – Evaluation—The Secondary Mortgage Market and Federal Credit Agencies – Pass a test.

SECTION J – Evaluation—Ethics, Fraud, Consumer Protection, and Fair Lending – Pass a test.

SECTION L – Evaluation—Federal Regulation 9TILA/RESPA/TRID) – Pass a test.

SECTION N – Evaluation—Finance Instruments – Pass a test.

SECTION P – Evaluation—Overview of the Loan Process – Pass a test.

SECTION R – Evaluation—Conventional Financing – Pass a test.

SECTION T – Evaluation—Alternative Financing – Pass a test.

SECTION V – Evaluation—Government Programs: FHA and VA Loans – Pass a test.

SECTION X – Evaluation—Seller Financing – Pass a test.

SECTION Z – Evaluation—Qualifying the Borrower – Pass a test.

SECTION BB – Evaluation—Qualifying the Property – Pass a test.

SECTION DD – Evaluation—State Licensing Requirements – Pass a test.

SECTION FF –Evaluation – Pass a final examination covering the complete course under conditions as prescribed by the California Department of Real Estate with a minimum score of 70% or higher.

Standards for Career Ready Practice

1. Apply appropriate technical skills and academic knowledge.

Career-ready individuals readily access and use the knowledge and skills acquired through experience and education. They make connections between abstract concepts with real-world applications and recognize the value of academic preparation for solving problems, communicating with others, calculating measures, and performing other work-related practices.

2. Communicate clearly, effectively, and with reason.

Career-ready individuals communicate thoughts, ideas, and action plans with clarity, using written, verbal, electronic, and/or visual methods. They are skilled at interacting with others: they are active listeners who speak clearly and with purpose, and they are comfortable with terminology that is common to workplace environments. Career-ready individuals consider the audience for their communication and prepare accordingly to ensure the desired outcome.

3. Develop an education and career plan aligned with personal goals.

Career-ready individuals take personal ownership of their educational and career goals and manage their individual plan to attain these goals. They recognize the value of each step in the educational and experiential process, and they understand that nearly all career paths require ongoing education and experience to adapt to practices, procedures, and expectations of an ever-changing work environment. They seek counselors, mentors, and other experts to assist in the planning and execution of education and career plans.

4. Apply technology to enhance productivity.

Career-ready individuals find and maximize the productive value of existing and new technology to accomplish workplace tasks and solve workplace problems. They are flexible and adaptive in acquiring and using new technology. They understand the inherent risks—personal and organizational—of technology applications, and they take actions to prevent or mitigate these risks.

5. Utilize critical thinking to make sense of problems and persevere in solving them

Career-ready individuals recognize problems in the workplace, understand the nature of the problems, and devise effective plans to solve the problems. They thoughtfully investigate the root cause of a problem prior to introducing solutions. They carefully consider options to solve a problem and, once agreed upon, follow through to ensure the problem is resolved.

6. Practice personal health and understand financial literacy.

Career-ready individuals understand the relationship between personal health and workplace performance. They contribute to their personal well-being through a healthy diet, regular exercise, and mental health activities. Career-ready individuals also understand that financial literacy leads to a secure future that enables career success.

7. Act as a responsible citizen in the workplace and the community.

Career-ready individuals understand the obligations and responsibilities of being a member of a community and demonstrate this understanding every day through their interactions with others. They are aware of the impacts of their decisions on others and the environment around them, and they think about the short-term and long-term consequences of their actions. They are reliable and consistent in going beyond minimum expectations and in participating in activities that serve the greater good.

8. Model integrity, ethical leadership, and effective management.

Career-ready individuals consistently act in ways that align with personal and community-held ideals and principles. They employ ethical behaviors and actions that positively influence others. They have a clear understanding of integrity and act on this understanding in every decision. They use a variety of means to positively impact the direction and actions of a team or organization, and they recognize the short-term and long-term effects that management's actions and attitudes can have on productivity, morale, and organizational culture.

9. Work productively in teams while integrating cultural and global competence.

Career-ready individuals contribute positively to every team, as both team leaders and team members. To avoid barriers to productive and positive interaction, they apply an awareness of cultural differences. They interact effectively and sensitively with all members of the team and find ways to increase the engagement and contribution of other members.

10. Demonstrate creativity and innovation.

Career-ready individuals recommend ideas that solve problems in new and different ways and contribute to the improvement of the organization. They consider unconventional ideas and suggestions by others as solutions to issues, tasks, or problems. They discern which ideas and suggestions may have the greatest value. They seek new methods, practices, and ideas from a variety of sources and apply those ideas to their own workplace practices.

11. Employ valid and reliable research strategies.

Career-ready individuals employ research practices to plan and carry out investigations, create solutions, and keep abreast of the most current findings related to workplace environments and practices. They use a reliable research process to search for new information and confirm the validity of sources when considering the use and adoption of external information or practices.

12. Understand the environmental, societal, and economic impacts of decisions.

Career-ready individuals understand the interrelated nature of their actions and regularly make decisions that positively impact other people, organizations, the workplace, and the environment. They are aware of and utilize new technologies, understandings, procedures, and materials and adhere to regulations affecting the nature of their work. They are cognizant of impacts on the social condition, environment, workplace, and profitability of the organization.

Statement for Civil Rights

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